

TEACHERS' FUND FOR RETIREMENT
PERFORMANCE REPORT FOR AUGUST 2001

10/9/2001

	Assets as of August 31, 2001			*RATES OF TOTAL RETURN							
	EMV \$(000)	Actual Alloc	Policy Alloc	Month Ended (preliminary)		Quarter Ended				2002 FYTD	YR Ended 6/30/2001
				Aug-01	Jul-01	Jun-01	Mar-01	Dec-00	Sep-00		
LARGE CAP EQUITY											
Structured Growth											
Alliance Capital Management	24,057	2.0%	2.3%	-8.75%	-3.24%	10.03%	-20.32%	-16.57%	-1.67%	-11.71%	-28.08%
RUSSELL 1000 GROWTH				-8.18%	-2.50%	8.42%	-20.90%	-21.35%	-5.38%	-10.48%	-36.18%
Structured Value											
LSV	33,130	2.7%	2.3%	-3.30%	1.10%	8.10%	-0.19%	7.21%	11.46%	-2.24%	28.93%
RUSSELL 1000 VALUE				-4.01%	-0.21%	4.88%	-5.86%	3.60%	1.52%	-4.21%	3.84%
Enhanced S&P Index (1)											
Northern Trust Global Investments	49,742	4.1%	4.5%	-6.10%	-1.02%	5.69%	-11.46%	-8.41%	N/A	-7.06%	N/A
Strong Capital	50,017	4.1%	4.5%	-5.85%	-0.55%	3.71%	-9.66%	-7.84%	N/A	-6.37%	N/A
Westridge Capital	57,309	4.7%	4.5%	-6.18%	-0.95%	5.60%	-10.86%	-7.16%	N/A	-7.07%	N/A
Total Enhanced S&P Index	157,067	12.9%	13.5%	-6.05%	-0.85%	5.02%	-11.43%	-7.79%	N/A	-6.84%	N/A
S&P 500				-6.26%	-0.98%	5.85%	-11.86%	-7.82%	N/A	-7.18%	N/A
Enhanced Russell 1000 Index (1)											
Wilshire	50,111	4.1%	4.5%	-5.81%	-1.42%	6.52%	-12.21%	-7.99%	N/A	-7.15%	N/A
RUSSELL 1000				-6.10%	-1.37%	6.31%	-12.57%	-9.15%	N/A	-7.39%	N/A
S&P 500 Index											
State Street - S&P 500 Index	84,000	6.9%	7.5%	-6.26%	-0.97%	5.85%	-11.86%	-7.79%	-0.91%	-7.17%	-14.75%
S&P 500				-6.26%	-0.98%	5.85%	-11.86%	-7.82%	-0.97%	-7.18%	-14.83%
TOTAL LARGE CAP EQUITY	348,365	28.6%	30.0%	-6.00%	-0.96%	6.06%	-11.10%	-7.37%	1.30%	-6.90%	-11.52%
S&P 500				-6.26%	-0.98%	5.85%	-11.86%	-7.82%	-0.97%	-7.18%	-14.83%
SMALL CAP EQUITY (2)											
SEI	135,477	11.1%	10.0%	-4.01%	-3.40%	N/A	N/A	N/A	N/A	-7.27%	N/A
RUSSELL 2000 + 200 bp				-3.06%	-5.24%	14.79%	N/A	N/A	N/A	-8.15%	N/A
TOTAL SMALL CAP EQUITY	135,477	11.1%	10.0%	-4.01%	-3.40%	-5.80%	-6.44%	-8.28%	3.99%	-7.27%	1.69%
RUSSELL 2000				-3.23%	-5.41%	14.29%	-6.51%	-6.91%	1.11%	-8.47%	0.57%
INTERNATIONAL EQUITY											
Intl Core											
State Street	109,471	9.0%	10.0%	-3.27%	-2.65%	0.60%	-10.23%	-3.17%	-6.15%	-5.83%	-17.93%
MSCI 50% HEDGED EAFE INDEX				-4.23%	-2.74%	0.15%	-10.44%	-3.47%	-5.23%	-6.85%	-17.95%
Intl Active											
Capital Guardian	106,612	8.7%	10.0%	-3.51%	-3.31%	0.85%	-9.61%	-6.11%	-6.69%	-6.70%	-20.14%
MSCI 50% HEDGED EAFE INDEX				-4.23%	-2.74%	0.15%	-10.44%	-3.47%	-5.23%	-6.85%	-17.95%
TOTAL INTERNATIONAL EQUITY	216,084	17.7%	20.0%	-3.39%	-2.98%	0.72%	-9.66%	-4.64%	-6.44%	-6.27%	-18.81%
MSCI 50% HEDGED EAFE INDEX				-4.23%	-2.74%	0.15%	-10.44%	-3.47%	-5.23%	-6.85%	-17.95%
EMERGING MARKETS											
Value - Active - Commingled											
Capital Guardian	55,082	4.5%	5.0%	-4.31%	-6.22%	6.98%	-7.44%	-16.15%	-14.86%	-10.26%	-29.31%
MSCI EMERGING MKTS FREE INDEX				-0.99%	-6.32%	3.90%	-5.46%	-13.32%	-13.00%	-7.25%	-25.93%
DOMESTIC FIXED INCOME											
Core Bond											
Western Asset	17,620	1.4%	1.2%	1.32%	2.48%	1.37%	3.64%	4.08%	3.71%	3.83%	13.40%
LB AGGREGATE				1.15%	2.24%	0.56%	3.03%	4.21%	3.01%	3.42%	11.22%
Active Duration											
Criterion	17,225	1.4%	1.2%	1.06%	1.98%	0.67%	2.67%	5.23%	3.29%	3.06%	12.34%
LB AGGREGATE				1.15%	2.24%	0.56%	3.03%	4.21%	3.01%	3.42%	11.22%
Index											
Bank of North Dakota	17,249	1.4%		1.37%	2.45%	0.04%	3.29%	4.60%	2.73%	3.85%	11.04%
BND (Match Loan Program)	11,165	0.9%		0.48%	0.49%	1.45%	1.43%	1.44%	1.44%	0.97%	5.89%
Total Bank of North Dakota	28,414	2.3%	1.8%	1.17%	2.00%	0.37%	2.83%	3.86%	2.42%	3.19%	9.79%
LB GOV/CORP				1.28%	2.49%	0.30%	3.20%	4.37%	2.87%	3.80%	11.13%

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Core											
Strong Capital	17,734	1.5%	1.2%	1.45%	3.08%	1.17%	4.74%	3.42%	3.52%	4.57%	13.45%
LB BAA BOND INDEX				1.47%	2.96%	0.79%	0.59%	1.53%	2.98%	4.47%	6.00%
Convertibles											
TCW	14,656	1.2%	1.2%	-4.64%	-3.01%	4.87%	-9.69%	-13.21%	5.14%	-7.51%	-13.58%
1ST BOSTON CONVERTIBLE INDEX				-2.56%	-1.97%	4.12%	-6.24%	-12.31%	2.95%	-4.48%	-11.87%
Timberland											
Wachovia	91	0.0%	0.6%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
TOTAL DOM FIXED INCOME	95,738	7.9%	7.0%	0.23%	1.39%	1.55%	1.02%	0.61%	3.54%	1.63%	6.87%
LB AGGREGATE				1.15%	2.24%	0.56%	3.03%	4.21%	3.01%	3.42%	11.22%
HIGH YIELD BONDS											
Western Asset	90,626	7.4%	7.0%	0.66%	1.47%	-1.75%	3.88%	-5.57%	-0.87%	2.14%	-4.46%
LB HIGH YIELD BOND INDEX				1.18%	1.47%	-2.29%	6.36%	-5.24%	0.57%	2.67%	-0.96%
INTERNATIONAL FIXED INCOME											
Intl Core											
Brinson	70,491	5.8%	5.0%	4.69%	2.95%	-2.51%	-5.37%	5.73%	-5.25%	7.78%	-7.58%
SALOMON NON-US GOV'T BOND				4.62%	2.54%	-1.97%	-4.90%	4.00%	-4.52%	7.28%	-7.43%
REAL ESTATE (3)											
JMB	1,130	0.1%		0.40%	0.40%	1.19%	0.18%	-1.38%	1.95%	0.79%	1.92%
TCW	5	0.0%		-2.96%	-2.96%	-8.63%	8.33%	24.23%	1.86%	-5.84%	25.25%
INVESCO	75,681	6.2%		0.69%	0.69%	2.09%	8.35%	1.22%	1.39%	1.39%	13.52%
J.P. Morgan	43,457	3.6%		0.80%	0.80%	2.41%	1.91%	3.24%	2.34%	1.60%	10.27%
TOTAL REAL ESTATE	120,273	9.9%	9.0%	0.73%	0.73%	2.22%	5.20%	2.17%	1.87%	1.47%	11.92%
NCREIF PROPERTY INDEX				0.75%	0.75%	2.26%	2.28%	3.23%	2.95%	1.50%	11.15%
PRIVATE EQUITY (3)											
Brinson IVCF III	1,131	0.1%		-10.10%	-10.10%	-27.35%	10.88%	9.87%	-7.22%	-19.19%	-17.89%
Coral Partners V	16,927	1.4%		-0.45%	-0.45%	-1.35%	-1.54%	23.35%	-0.45%	-0.90%	19.29%
Coral Partners Supplemental V	224	0.0%		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Brinson 1998 Partnership Fund	3,282	0.3%		-3.95%	-3.95%	-11.40%	-7.87%	7.46%	9.86%	-7.75%	-3.63%
Brinson 1999 Partnership Fund	4,113	0.3%		-2.53%	-2.53%	-7.40%	-5.26%	4.53%	4.30%	-5.00%	-4.36%
Brinson 2000 Partnership Fund	5,053	0.4%		-0.97%	-0.97%	-2.89%	-1.42%	6.03%	1.22%	-1.94%	2.74%
Brinson 2001 Partnership Fund	668	0.1%		0.38%	0.38%	1.13%	0.02%	N/A	N/A	0.75%	N/A
Brinson 1999 Non-US Partnership Fund	1,325	0.1%		-1.06%	-1.06%	-3.16%	2.55%	-2.64%	5.73%	-2.12%	2.24%
Brinson 2000 Non-US Partnership Fund	875	0.1%		-1.18%	-1.18%	-3.50%	-0.37%	-2.36%	-0.98%	-2.34%	-7.03%
Brinson 2001 Non-US Partnership Fund	411	0.0%		0.22%	0.22%	0.66%	N/A	N/A	N/A	0.44%	N/A
Brinson BVCF IV	7,700	0.6%		-1.11%	-1.11%	-3.31%	-3.49%	-5.23%	0.10%	-2.22%	-11.46%
Hearthstone	3,558	0.3%		2.65%	2.65%	8.16%	0.00%	0.01%	0.00%	5.37%	8.17%
TOTAL PRIVATE EQUITY	45,268	3.7%	5.0%	-1.41%	-1.41%	-4.17%	-1.37%	11.69%	0.33%	-2.80%	5.92%
POST VENTURE CAPITAL INDEX				7.40%	7.40%	23.87%	-31.48%	-38.61%	-0.64%	15.34%	-48.23%
CASH EQUIVALENTS											
TNT Short Term Extendable Portfolio	42,111	3.5%	2.0%	0.32%	0.39%	1.34%	1.27%	1.70%	1.47%	0.71%	5.91%
90 DAY T-BILLS				0.33%	0.33%	1.12%	1.51%	1.63%	1.51%	0.66%	5.90%
TOTAL FUND	1,219,516	100.0%	100.0%	-2.67%	-1.12%	3.92%	-5.72%	-4.37%	-1.07%	-3.76%	-7.31%
POLICY TARGET BENCHMARK	21			-2.26%	-0.87%	4.61%	-7.50%	-5.88%	-1.59%	-3.11%	-10.37%
TOTAL VALUE ADDED DUE TO											
Asset Mix				0.02%	-0.02%	0.02%	0.50%	0.38%	0.40%	0.01%	1.30%
Active Management				-0.45%	-0.24%	-0.68%	1.41%	1.22%	0.12%	-0.68%	2.08%
Total Value Added				-0.42%	-0.25%	-0.66%	1.91%	1.60%	0.53%	-0.68%	3.38%

(1) Funded between July 25 and August 1, 2000.

(2) Brinson and Nicholas-Applegate were terminated and SEI hired May 18, 2001 with a transition of assets occurring during the month of June.

(3) Monthly returns estimated based on quarters' returns.

*NOTE:

Monthly returns and market values are preliminary and subject to change.
Returns are net of investment management fees.